Department of Justice

United States Attorney James A. Lewis Central District of Illinois

CONTACT: SHARON PAUL

PHONE: (217) 492-4450

FOR IMMEDIATE RELEASE TUESDAY, OCTOBER 30, 2012 www.usdoj.gov/usao/ilc/

Former Kankakee County Board Member Pleads Guilty to Filing False Income Tax Return

Urbana, Ill. – A sentencing date has been scheduled for Larry Dean Gibbs, of St. Anne, Ill., who entered a plea of guilty yesterday to one count of filing a false income tax return. Gibbs remains on bond pending the sentencing hearing scheduled on March 7, 2013. According to court documents, Gibbs is a former Kankakee County board member and was formerly the elected Township Supervisor of Pembroke Township in Kankakee County, Ill.

Gibbs appeared before U.S. District Judge Michael P. McCuskey in Urbana, and entered an open plea of guilty to count one of the indictment which charged him with filing a false trust income tax return for calendar year 2005. Gibbs admitted that as a result of false and fraudulent statements on a 2005 Form 1041 that he filed for the 'Larry Dean Gibbs/Trust' with the Internal Revenue Service, he received a refund of \$66,282 from the IRS to which he was not entitled.

In August, Judge McCuskey held Gibbs in direct contempt of court and ordered that Gibbs be taken into custody for 14 days. On June 7, 2012, Judge McCuskey had ordered the defendant to stop filing frivolous documents challenging the court's authority or attempting to claim the defendant was not the person charged in the case. Gibbs filed additional documents with the federal court, and was ordered to appear in federal court on Aug. 16, pursuant to a ruling by Judge McCuskey that Gibbs needed to show cause why he should not be held in contempt for repeatedly filing frivolous documents in violation of Judge McCuskey's order of June 7, 2012, as well as whether Gibbs' bond should be revoked. After an exchange in court between Judge McCuskey and Gibbs, Judge McCuskey found Gibbs in direct contempt of court and ordered him taken into federal custody for 14 days.

The penalty for filing a false income tax return is up to three years in prison, a \$100,000 fine, and restitution. The defendant may also be liable for the fraud penalty on the amount to be credited to tax.

The charges were investigated by the Criminal Investigation Division of the Internal Revenue Service. The case is being prosecuted by Assistant U.S. Attorney Eugene L. Miller.